



**STATEMENT OF PROCEEDINGS
FOR THE SPECIAL MEETING OF THE
LOS ANGELES GRAND AVENUE AUTHORITY
KENNETH HAHN HALL OF ADMINISTRATION
500 WEST TEMPLE STREET, ROOM 374-A
LOS ANGELES, CALIFORNIA 90012**



Wednesday, January 15, 2014

3:00 PM

AUDIO LINK FOR THE ENTIRE MEETING. (14-0441)

Attachments: [AUDIO - PART 1](#)
 [AUDIO - PART 2](#)

Present: Chair Gloria Molina, Secretary William Fujioka, Vice Chair José Huizar and Director Steve Valenzuela

I. ADMINISTRATIVE MATTERS

1. Call to Order. (14-0368)
 Chair Molina called to order the fifty-sixth meeting of the Los Angeles Grand Avenue Authority (Authority Board) at 3:03 p.m., with a quorum of members present.
2. Approval of the September 30, 2013 and December 18, 2013 special meetings minutes. (14-0369)

On motion of Chair Molina, and by Common Consent, there being no objection, this item was continued.

Attachments: [SUPPORTING DOCUMENT](#)
 [SUPPORTING DOCUMENT](#)

II. RECOMMENDATIONS

3. Consider the Parcel Q Plan proposed by Developer Grand Avenue L.A., LLC titled Grand Avenue Parcel Q Master Plan and Concept Design and submitted to the Authority on November 25, 2013, and either approve or disapprove. The Plan, if approved, will serve as project re-formulation documents for later environmental review and proposed project transactional documents necessary to permit development, and determine such action is exempt from the California Environmental Quality Act - Dawn McDivitt/Jenny Scanlin. (14-0370)

Dawn Mcdivitt, Chief Executive Office (CEO), reported that in accordance with the Authority Board's Memorandum Of Understanding (MOU) letter

dated September 30, 2013, the new amended design plan for Parcel Q, was approved by the Board of Supervisors and this amended plan is now submitted for the Authority Board's approval.

Cindy Starrett of Latham & Watkins addressed the Authority Board on behalf of Related, in support of the project. Ms. Starrett highlighted the progress the project has made to date and indicated that the single phase project can be completed a year prior to the deadline date.

George Mhlsten of Latham & Watkins addressed the Authority Board on behalf of Related, in support of the progress the project has made and stressed the importance of collaborating with all entities to successfully implement the project.

Brady Westwater addressed the Authority Board in support of the revised plans and the continuance of the project.

On motion of Vice Chair Huizar, seconded by Director Valenzuela, and unanimously carried, this item was approved.

- 4. Find the Fourth Amendment to Disposition and Development Agreement for Grand Avenue Project - Phase I, Parcel Q (apartments, including affordable units, hotel, and retail restaurant uses) located at 150 South Grand Avenue, Los Angeles, CA, as executed and delivered to the Authority on December 18, 2013 by Grand Avenue L.A., LLC., acceptable in accordance with the September 30, 2013 Letter Agreement, or instruct negotiators what additional changes, if any, are required, and determine such action is exempt from the California Environmental Quality Act - Dawn McDivitt/Jenny Scanlin. (14-0371)**

This item was discussed after Item No. 5.

Chair Molina reported that the Authority Board looks forward to receive and find acceptable, the signed 4th Amended Disposition and Development Agreement (DDA) and end extensions for completion of the Grand Avenue Project.

Secretary Fujioka made a motion that the Authority Board find that 4th Amended DDA executed and submitted by Grand Avenue L.A., LLC (Developer) to the Authority dated December 18, 2013, requires additional terms to be incorporated in order to comply with the September Letter. These terms include provisions previously negotiated and agreed to in prior version, new provisions necessary to incorporate the revised Scope of Development, submitted on November 25, 2013, and milestone dates

for performance either as proposed by the Developer or more generous than those proposed by the Developer. The following terms must be included in the 4th Amended DDA for the Authority to find it acceptable:

Terms:

1. Milestones Dates

- The milestone dates of:

March 31, 2014: Submittal of detailed schedule of performance with the firm milestones set forth herein on July 31, 2014, December 2015 and September 2019, and including other reasonable dates for evidence of financing, plan submittals, approvals, etc.; Executed SBE hotel equity and operating agreements; and Phase I, project budget and operating proforma;

July 31, 2014: City Council approval of TOT Agreement

December 2015: Phase I commencement of construction

September 2019: Phase I completion of construction

- Should the developer fail to perform the tasks required by the March 31, 2014 milestone or the City Council fail to approve the TOT Agreement by the July 31, 2014 milestone, the Agreement will terminate automatically with termination provisions as instructed by this Board.

2. Terms Which Remain as stated in September Letter:

- A) Extension Fee remains due
- B) Required Improvements
- C) Authority Review of Conceptual and Schematic drawings; standard of approval language
- D) Leasehold Acquisition Fee language
- E) Affordable Housing Investment language
- F) Developer's Public Benefit Contribution and Job Training Fund language
- G) County Phase III Notice language
- H) Release and Waiver Claims language
- I) Standard language drafted on Ratifying Existing DDA Amendments and addressing conflicts between the documents

George Mhlsten of Latham & Watkins addressed the Authority Board on behalf of Related and questioned the schedule of meetings. Chair Molina explained that provisions for future meetings will be made according to matters that need to be addressed; the next special meeting is tentatively scheduled for January 21, 2014.

Cindy Starrett of Latham & Watkins addressed the Authority Board on behalf of Related. Ms. Starrett provided examples of the types of funds that may not be readily allocated. Ms. Starret also indicated that the goal for Related is to successfully meet project deadlines and work collaboratively with all entities. Chair Molina, indicated that the terms in negotiation have been persistent throughout the project.

Therefore, on motion of Secretary Fujioka, seconded by Director Valenzuela, and unanimously carried, the Authority Board instructed the Negotiating Team to include the aforementioned additional terms; and to accept a Developer submitted DDA amendment if it includes the terms and is executed and delivered by the Developer before the deadline on January 21, 2014.

III. CLOSED SESSION

5. NOTICE OF CLOSED SESSION: CONFERENCE WITH REAL PROPERTY NEGOTIATORS PURSUANT TO GOVERNMENT CODE SECTION 54956.8

Property: Parcels Q (Assessor Parcel No. MB 5149-10-949) and W-2 (Assessor Parcel No. MB 5149-10-944) of the Bunker Hill Urban Renewal Project Area and the Grand Park parcels

JPA Real Property Negotiators: Richard Volpert, Michelle Cervera, Dawn McDivitt, Thomas Webber, Diane Hvolka, Jenny Scanlin

Negotiating Parties: Grand Avenue L.A., LLC

Under Negotiation: Price and Terms of Payment (14-0372)

This item was discussed before Item No. 4.

Chair Molina referenced the above Notice of Closed Session.

**The JPA Board recessed to Closed Session at 3:14 p.m.
The JPA Board reconvened the Grand Avenue Authority meeting at
4:08 p.m.**

**Authority Counsel, Helen Parker, advised that no reportable action was
taken in Closed Session.**

IV. MISCELLANEOUS

- 6. Grand Avenue Authority Meeting Schedule 2014 - Dawn McDivitt. (14-0375)**

**Dawn Mcdivitt, CEO, presented the Grand Avenue Authority meeting
schedule.**

**The Authority Board acknowledged that regular meetings are tentatively
scheduled for the 4th Monday of every month and special meetings will be
scheduled on an as needed basis.**

- 7. Public Comment. (14-0376)**

No members of the public addressed the Authority Board.

- 8. Adjournment. (14-0377)**

**There being no further business to discuss, Chair Molina adjourned the
meeting at 4:19 p.m.**